

## 2011 Throne Speech

The Third Session of the Thirty-Ninth Parliament by was opened yesterday with the reading of the Speech from the Throne. In the speech, British Columbia's Lieutenant-Governor, the Honourable Steven L. Point, touched on the legacy of 2010 Olympic and Paralympics Winter Games and the priorities of the Government over the past decade. The Throne Speech indicated that the spending priorities of the 2011 Budget would continue to focus on health and education. The speech also noted that the Government will seek approval from the House for an interim supply to allow for the completion of the leadership contests by the government and the opposition.

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## 2011 Provincial Budget Highlights

The February 15th, 2011 provincial budget is largely a status quo budget, which provides some decision making flexibility for the future premier. With projected deficits of \$925 million in 2011/12, \$440 million in 2012/13, and a surplus of \$175 million in 2013/14, the budget re-affirms the government's commitment of returning to a balanced budget by 2013/2014. The budget forecasts the 2010/11 deficit at \$1.265 billion, which is over 25 percent lower than the \$1.715 billion forecast in Budget 2010.

Overall, the budget provides:

- \$605 million to the Ministry of Health Services in 2013/14 to sustain front line service delivery;
- \$65 million over three years to the Ministry of Social Development to income assistance for individuals and families in need; and
- an additional \$150 million in contingencies in 2011/12 to address unforeseen issues, for total contingencies of \$600 million in 2011/12.

Of interest to local governments, the budget provides:

- following the completion of the Strategic Community Investment Fund program, a reinstatement of the Traffic Fine Revenue Sharing Grant and Small Community Grant to 2008/09 levels;
- continued funding of the 2010 Sports and Art Legacy initiative, with \$40 million over the next two years;
- continued funding of \$80 million over the next two years for Climate Action and Clean Energy initiatives; and
- an overall reduction in the Ministry of Community Sport and Cultural Development operating budget due to the winding down of stimulus infrastructure, stimulus top-up, and Towns For Tomorrow programs.

UBCM also notes that this is the first budget that reflects the newly re-organized Ministry of Community, Sport and Cultural Development's (MCSCD) priorities, and that the budget does not adversely impact MCSCD's full time equivalent staff (FTE).